

**ARKANSAS PROFESSIONAL BAIL BOND COMPANY AND PROFESSIONAL
BAIL BONDSMAN LICENSING BOARD**

January 14, 2005

Chairman Don Smith called the meeting to order at 9:00 a.m.

Roll call was taken. The following members were present: Rex Morris, Frank Sturgeon, Phyllis Carruth, Don Smith, Eugene Reynolds and Marc Oudin. Also present were Assistant Attorney General, Chilesa Ready, Executive Director, Tommy Reed, Board staff and members of the audience.

Following a review of the Board Minutes for December 10, 2004, Mr. Sturgeon moved to approve the minutes as presented. Mr. Reynolds seconded. The motion carried on voice vote with none opposed.

OLD BUSINESS

License Approvals:

Four (4) non-controversial license applications and one (1) non-controversial tentative license applications were submitted for Board approval. Mr. Oudin moved to approve the license applications as presented, pending receipt of necessary documentation. Mr. Morris seconded. Chairman Smith asked for comments or discussion. Hearing none, the motion was put to a voice vote. The motion carried with none opposed

Transfers:

The list of transferring agents was provided for the Board's information. Chairman Smith invited comments or discussion. Ms. Carruth asked if there was anything unusual about the transfers. Mr. Reed reported he had no knowledge of anything unusual and the Board proceeded.

Forfeitures:

The Forfeiture Report was presented and the Board's approval to suspend those licensees who failed to pay forfeitures timely between January 15, 2005 and February 11, 2005 was requested. Chairman Smith invited comments or discussion;

Mr. Oudin asked if any companies had been suspended during the past month for failing to pay forfeitures. Mr. Reed responded that one company had been suspended the day before, the 13th, and that this morning the company called to explain they thought the forfeiture was due on the 15th and had intended to pay it on the 14th.

Mr. Reed reported that Reeves Bonding Company, Inc. was suspended January 3, 2005 for failure to pay forfeitures due after notice from the Board. He advised the Board he understood the company was closing and that he would be sending a letter to the company explaining the consequences of failing to satisfy the judgments and that the company's security deposit would be attached to pay the judgments.

The Chair called for motions. Ms. Carruth moved to suspend those licensees whose forfeitures were not timely paid between January 15, 2005 and February 11, 2005. Mr. Sturgeon seconded. The motion was put to a voice vote. The motion carried with none opposed.

Past Due Forfeitures:

The Past Due Forfeiture Report was presented for the Board's review. Chairman Smith asked for comments or discussion. There were no comments or discussion and the Board moved to the next item of business.

2005 Legislative Session - Update

Mr. Reed explained a proposed amendment to the agent transfer statute he had drafted and submitted for the Board's comments/approval. He advised that a company that did not contest the affidavit of the agent would not be prevented from filing a complaint against the agent upon discovery of the violation. The Chair opened the floor for discussion of the proposed amendment.

Mr. Oudin said the language addressed the companies concerns regarding transfer of agents and asked if Mr. Reed had shared the proposal with the Bail Bond Association. Mr. Reed advised that he and Gary Edwards, the newly elected president of the Association had discussed the language and that Mr. Edwards had expressed two concerns.

Mr. Edwards was present and was recognized by the Chair. He applauded the Board's efforts to make the transfer process equitable for both agents and companies. He said Mr. Reed had already mentioned his first concern – that companies that discover violations after the transfer would not be prevented from filing a complaint by failing to contest the transfer. He was concerned there was no consequences to the agent if, after a successful challenge by a company, the agent returns the property of the company. He said that in the case of blatant violations the agent should be penalized according to A.C.A. 17-19-210.

Mr. Oudin requested that Mr. Reed and Mr. Edwards meet and agree on additional language addressing the concerns of the Association.

The Board was provided copies of HB1023, a bill introduced by Rep. Thyer to clarify a civil service processor may serve as a bail bond agent, and HB1038 the appropriation bill for the Board's operations for the 2005-2007 Biennial Budget. The Board was provided a copy of Interim Resolution 2003-11 encouraging licensing entities of the state to extend leniency to activated members of Arkansas National Guard and Reserves.

Statement of Financial Interest

The Board was reminded the statements were due in the office of the Secretary of State by January 31, 2005.

Stipend & Expense Reimbursements for 2005

Ark. Code Ann. §25-16-902 requires that the Board vote at the first meeting of each calendar year whether to authorize receipt of stipend and travel reimbursements provided according to statute. A motion that the Board continue to receive the stipend provide by statute was made by Mr. Sturgeon. Mr. Reynolds seconded. The Chair invited questions or discussion. There being none, the motion was put to a voice vote. The motion carried with none opposed.

Mr. Morris moved that the Board continue to receive the travel expense reimbursement provided by statute. Mr. Reynolds seconded. The motion was put to a voice vote and carried with none opposed.

Re: Will Oliver/Liz Frawley Bail Bonds, Inc., APBBLB #04-012

The Board was advised that Will Oliver had appealed the Board's decision. Mr. Oliver, through his attorney, Jeff Rosenzweig, stated that he would dismiss his appeal if the Board would allow

him to make payments of \$500 per month until the fine was paid. The Chair called for discussion. Ms. Carruth expressed concern that a precedent would be set if the Board allowed the fine to be paid in installments. Mr. Oudin stated his reservations stemmed from an occasion where installments were approved but the licensee failed to keep the agreement. Mr. Morris commended Mr. Oliver's efforts to prevent further forfeitures. Mr. Reed offered his opinion that there would be no precedent set because the Board had discretion to allow installments based on the particular facts of a matter. Mr. Morris moved to accept Mr. Oliver's request. Mr. Reynolds seconded. The motion was put to a voice vote. The motion carried. Ms. Carruth voted no.

Re: Bobby Cox Bail Bonds, Inc. et al v. APBBLB & Hannah Ryan, APBBLB #04-025

The Board was advised that an appeal had been filed in the matter and that the record had been ordered.

NEW BUSINESS

December Vouchers Paid:

Chairman Smith invited questions and/or discussion regarding the vouchers paid in December. There being none, the Board proceeded.

In the Matter of: Jamie Mann/Ron Marshall & Affordable Bail Bonds, APBBLB ## 97-044 and 00-015

Mr. Reed asked the Board to clarify whether the consent agreement entered in February 2004 applied to both #07-044 and #00-015. There was considerable discussion regarding the question. The conclusion was that the consent agreement did not apply to #00-015 and that the Board's decision, as modified by the Circuit Court to a one year suspension of Mr. Mann's license, as affirmed by the Court of Appeals should be implemented. A motion to implement the one-year suspension of Mr. Mann's license was made by Ms. Carruth. Mr. Sturgeon seconded. The Chair asked if there were further questions or discussion. Hearing none, the motion was put to a voice vote. The motion carried.

Financial Reports

The Board was provided copies of the available budget as of December 1, 2004. Mr. Reed advised Mr. Morris had asked him to provide the information. Mr. Reed explained he would try to present the information in a more understandable format at February's meeting.

Resignation/Retirement of David Hatfield

The Board was advised Mr. Hatfield would be retiring February 28, 2005. He was commended for his devotion and service to the Board. Mr. Reed expressed his gratitude for Mr. Hatfield's taking the initiative to prepare the budget for 2005 and for his invaluable assistance in helping him find his way during the first few months of his duties as Executive Director. Mr. Hatfield expressed his appreciation for the Board's expressions of support.

Public Comments:

Chairman Smith opened the floor for public comments. Donna Matchett commented that the Executive Director and the Bail Bond Association had been discussing legislation. She advised that the Association did not currently have any proposals but that things may change. She expressed concerns that with a company owner not currently being required to be a licensed agent, the Board had no control over them after they turned in their license. There was some discussion of the issue.

She next asked why the Board had changed its longstanding policy that an agent that failed to complete the continuing education requirement was required to apply as a new agent. She said the Board had allowed such agents to get their license for 2005 by taking two education courses. Gary Edwards clarified that Ms. Matchett was speaking personally and not on behalf of the Association. Mr. Reed responded that the renewal process regarding such agents had been followed according to the provisions of Rule 2, Section 8E. Mr. Oudin asked Mr. Reed to discuss the matter with Ms. Matchett after the Board meeting.

Mr. Morris asked about the process of hiring Mr. Hatfield's replacement. There was discussion of the issue. Mr. Reed was directed to take necessary steps to begin the process. The Board requested he conduct interviews and select a candidate to bring before the Board for approval.

There being no further public comments, the meeting was adjourned to hearings.

Submitted for approval:

This 11th day of February, 2005 _____
Don Smith, Chairman